

# **EXHIBIT 56**

Page 1

1 IN THE UNITED STATES DISTRICT COURT

2 SOUTHERN DISTRICT OF NEW YORK

3 - - - - - - - - - - - - - - -x

4 FEDERAL TRADE COMISSION, :  
5 Plaintiff, :  
6 v. : Case No.  
7 TAPESTRY, INC., and : 1:24-cv-03109-JLR  
8 CAPRI HOLDINGS LIMITED, :  
9 Defendants. :  
10 - - - - - - - - - - - - - - -x

11 Monday, July 22, 2024

12 - - - - -

13 Confidential

14 Subject to Protective Order

15 - - - - -

16 Remote Videotaped Deposition of SLOAN TICHNER,  
17 called for oral examination by counsel for the  
18 Plaintiffs, pursuant to notice, before Christina S.  
19 Hotsko, RPR, CRR, CA CSR, of Veritext Legal  
20 Solutions, a Notary Public in and for the District  
21 of Columbia, beginning at 9:30 a.m., when were  
22 present on behalf of the respective parties:

Job No. CS6786201

Page 2	Page 4
1 A P P E A R A N C E S (Via Zoom)	C O N T E N T S
2 On behalf of Plaintiff:	2
3 PETER COLWELL, ESQUIRE	3 EXAMINATION BY: PAGE
3 BLAKE RISENMAY, ESQUIRE	4 Counsel for Plaintiff 09
4 Federal Trade Commission	5 Counsel for Tapestry, Inc. 58
4 600 Pennsylvania Avenue, Northwest	6
Washington, D.C. 20580	7 FURTHER EXAMINATION BY: PAGE
5 (202) 326-2222	8 Counsel for Plaintiff 99
pcolwell@ftc.gov	9
6	10
7 On behalf of Steve Madden and the Witness:	11 TICHNER DEPOSITION EXHIBITS: * PAGE
8 MARK C. GRUNDVIG, ESQUIRE	12 Exhibit PX3025 Excel Spreadsheet, Steve Madden 43
8 JACQUELINE BEVERIDGE, ESQUIRE	Wholesale and Retail Sales,
9 Foley & Lardner, LLP	13 January 2019 through April 2024
9 Washington Harbour	14 Exhibit DX707 SEC Form 10-K 60
10 3000 K Street, Northwest, Suite 600	15 Exhibit DX708 Stella McCartney v. Steve Madden 96
10 Washington, D.C. 20007	Complaint
10 (202) 672-5300	16 Exhibit DX709 Valentino v. Steve Madden First 96
11 mark.grundvig@foley.com	17 Amended Complaint
12	18 Exhibit DX710 Balenciaga Complaint 97
13 On behalf of Capri Holdings:	19
13 CEDRIC LEWIS, ESQUIRE	20
13 Wachtell Lipton Rosen & Katz, LLP	21 * (Exhibits attached to transcript.)
14 51 W 52nd Street, Suite 29	22
14 New York, New York 10019	
15 (212) 403-1000	
15 cmlewis@wlrk.com	
16	
17	
18	
19	
20	
21	
22	
Page 3	Page 5
1 A P P E A R A N C E S C O N T I N U E D (Via Zoom)	P R O C E E D I N G S
2 On behalf of Tapestry, Inc.:	VIDEO TECHNICIAN: Good morning. We are
3 LAWRENCE E. BUTERMAN, ESQUIRE	3 going on the record. The time is 9:30 a.m.
3 Latham & Watkins LLP	4 Eastern. Today's date is July 22nd, 2024.
3 1271 Avenue Of The Americas	5 Please note that this deposition is being
4 New York, New York 10020	6 conducted virtually. Quality of recording depends
4 (212) 906-1200	7 on quality of camera and internet connection of
5 lawrence.buterman@lw.com	8 participants. What is seen on heard on screen is
6 KIMON KIMBALL TRIANTAFYLLOU, ESQUIRE	9 what will be recorded.
6 NIKKI BOURASSA, ESQUIRE	10 Audio and video recording will continue
7 Latham & Watkins LLP	11 to take place unless all parties agree to go off
7 555 11th Street, Northwest	12 the record.
8 Washington, D.C. 20004	13 This is media unit number 1 of the
8 (202) 637-2200	14 30(b)(6) video-recorded deposition of
9 kimon.triantafyllou@lw.com	15 Steve Madden. The witness' name is Sloan Tichner.
10	16 This is taken by counsel for the
10 Also Present:	17 plaintiff in the matter of Federal Trade
11 Ellen Hebert, Video Technician	18 Commission v. Tapestry, Inc., and Capri Holdings
11 Lisa Keith, Steve Madden General Counsel	19 Limited, filed in the United States District Court
12 Beata Safari, Steve Madden Privacy Counsel	20 for the Southern District of New York, case number
12 Alexander Aufrichtig, Steve Madden Associate Counsel	21 1:24-cv-03109-JLR.
13	22 This deposition is being conducted
14	
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22	

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1 remotely using virtual technology.	1 So again, Sloan, if you want to introduce
2 My name is Ellen Hebert representing	2 yourself, and then we'll go through the others
3 Veritext. I am the videographer. The court	3 that are here present as well.
4 reporter is Christina Hotsko from Veritext.	4 MS. TICHNER: I'm Sloan Tichner,
5 If there are any objections to	5 president of handbags for Steve Madden.
6 proceeding, please state them at the time of your	6 MS. KEITH: And I'm Lisa Keith. I'm in
7 appearance.	7 the room too. I'm the general counsel of Steve
8 Counsel and all present will now state	8 Madden.
9 their appearances and affiliations for the record,	9 MR. GRUNDVIG: And then we have some
10 beginning with the noticing attorney.	10 others that are joining through their laptops, so
11 MR. COLWELL: Thank you. My name is	11 if they could introduce themselves, please.
12 Peter Colwell. I'm an attorney with the Federal	12 MS. BEVERIDGE: I'm Jacqueline Beveridge
13 Trade Commission. And I'm joined by my colleague	13 of Foley & Lardner. I'm outside counsel on behalf
14 from the FTC, Blake Risenmay.	14 of Steve Madden.
15 MR. BUTERMAN: Lawrence Buterman from	15 MR. AUFRICHTIG: Alexander Aufrichtig,
16 Latham & Watkins, LLP, on behalf of Tapestry, Inc.	16 associate counsel for Steve Madden.
17 I have a couple of colleagues who are also on the	17 MS. SAFARI: Hi. This is Beata Safari.
18 Zoom, and I'll let them introduce themselves.	18 I'm privacy counsel for Steve Madden.
19 MR. TRIANTAFYLLOU: Good morning. Kimon	19 VIDEO TECHNICIAN: Will the court
20 Triantafyllou of Latham & Watkins on behalf of	20 reporter please swear in the witness.
21 Tapestry.	21
22 MS. BOURASSA: Nikki Bourassa from	22
Page 7	Page 9
1 Latham & Watkins on behalf of Tapestry.	1 Whereupon,
2 VIDEO TECHNICIAN: Will all others please	2 SLOAN TICHNER,
3 identify themselves for the record.	3 being first duly sworn or affirmed to testify to
4 MR. GRUNDVIG: This is Mark Grundvig from	4 the truth, the whole truth, and nothing but the
5 Foley & Lardner. I am outside counsel for	5 truth, was examined and testified as follows:
6 Steve Madden. I am sitting with Sloan Tichner,	6 EXAMINATION BY COUNSEL FOR PLAINTIFF
7 who is the corporate representative appearing on	7 BY MR. COLWELL:
8 behalf of Steve Madden for this 30(b)(6)	8 Q. Good morning, Ms. Tichner.
9 deposition. I have some others with me that will	9 A. Good morning.
10 introduce themselves in a moment, but I also want	10 Q. Thank you for appearing here today. As I
11 to make clear that Sloan Tichner is appearing	11 mentioned earlier, my name is Peter Colwell. I'm
12 today pursuant to the subpoena request, and the	12 an attorney with the Federal Trade Commission.
13 information that she provides we are asserting is	13 Have you ever been deposed or testified
14 confidential information and that it should	14 before?
15 receive all the protections that are appropriate	15 A. No, I have not.
16 and due pursuant to the protective order in this	16 Q. The court reporter is transcribing
17 case.	17 everything we say today. So for the court
18 And so to the extent any information she	18 reporter's benefit and to keep the record clear,
19 shares here today, and the parties seek to	19 please try to respond to all of my questions
20 disclose it in further proceedings, we request	20 verbally instead of using gestures, nods of the
21 notice and an opportunity to object to any of that	21 head or the like.
22 information being made public in any proceeding.	22 Does that make sense?

<p style="text-align: right;">Page 10</p> <p>1 A. Yes.</p> <p>2 Q. Also, please let me know if at any time</p> <p>3 you cannot hear me or see me. Also, let me know</p> <p>4 if you do not understand a question, and I may</p> <p>5 rephrase it or clarify.</p> <p>6 From time to time, counsel may object to</p> <p>7 a question. Unless your counsel instructs you to</p> <p>8 not answer a question, you should still please</p> <p>9 answer the question after the objection.</p> <p>10 We will take periodic breaks. But if you</p> <p>11 need a break at any time, please let me know and I</p> <p>12 will do my best to accommodate you.</p> <p>13 A. Thank you.</p> <p>14 Q. This deposition is being conducted</p> <p>15 remotely, and so we are in different locations.</p> <p>16 Where are you located today, Ms. Tichner?</p> <p>17 A. New York City.</p> <p>18 Q. Other than your counsel, is there anyone</p> <p>19 else in the room with you?</p> <p>20 A. No, there is not.</p> <p>21 Q. Are you aware of anything that would</p> <p>22 affect your ability to give full and truthful</p>	<p style="text-align: right;">Page 12</p> <p>1 A. No, I have not.</p> <p>2 Q. Moving back to your current position of</p> <p>3 president of handbags at Steve Madden, what are</p> <p>4 your responsibilities in your current position?</p> <p>5 A. I manage both the sales and the design</p> <p>6 part of our branded handbag lines.</p> <p>7 Q. Do you have any other responsibilities?</p> <p>8 A. Those would be the primary.</p> <p>9 Q. What were your responsibilities as</p> <p>10 vice-president of handbags at Steve Madden?</p> <p>11 A. The responsibilities were much of the</p> <p>12 same, but I had an intermediate report.</p> <p>13 Q. Can you explain what you mean by</p> <p>14 intermediate report?</p> <p>15 A. Sure. Instead of reporting in to the</p> <p>16 president of the company, I reported in to the</p> <p>17 president of handbags, who in turn reported in to</p> <p>18 the president of the company.</p> <p>19 Q. What were your responsibilities in your</p> <p>20 product development role at Steve Madden?</p> <p>21 A. I worked primarily on handbags that were</p> <p>22 designed to match back directly to the bags in our</p>
<p style="text-align: right;">Page 11</p> <p>1 testimony today?</p> <p>2 A. No.</p> <p>3 Q. I'd like to talk about your current</p> <p>4 position at Steve Madden, Ms. Tichner.</p> <p>5 Can you please tell me what your current</p> <p>6 position is?</p> <p>7 A. Yes. I'm president of handbags.</p> <p>8 Q. And how long have you been president of</p> <p>9 handbags?</p> <p>10 A. About 18 years.</p> <p>11 Q. Have you held any other positions at</p> <p>12 Steve Madden?</p> <p>13 A. Yes. I had a position as vice-president</p> <p>14 of handbags. And I also worked in product</p> <p>15 development.</p> <p>16 Q. Approximately when were you in those</p> <p>17 positions?</p> <p>18 A. 2006 to '7, I believe, I was in product</p> <p>19 development. And then I believe vice-presidency</p> <p>20 through 2008 or 2009.</p> <p>21 Q. Have you held any other positions at</p> <p>22 Steve Madden?</p>	<p style="text-align: right;">Page 13</p> <p>1 retail stores.</p> <p>2 Q. Can you explain what you mean by that?</p> <p>3 A. The handbags and the shoes are on the</p> <p>4 same pad in our own retail stores, so we often</p> <p>5 have handbags that might have characteristics more</p> <p>6 closely related to the shoes than we would in,</p> <p>7 let's say, the wholesale piece of the business</p> <p>8 where they are separate.</p> <p>9 Q. Thank you for explaining that for me,</p> <p>10 Ms. Tichner.</p> <p>11 Moving back to your current role and</p> <p>12 responsibilities, do you have any role in pricing</p> <p>13 of handbags?</p> <p>14 A. Yes. All of the pricing structure, I</p> <p>15 manage sales and design, so sort of at the end.</p> <p>16 That's, like, all funnel in together, so the</p> <p>17 answer would be yes.</p> <p>18 Q. Do you have any role in marketing</p> <p>19 handbags?</p> <p>20 A. Small. Most of our marketing is done</p> <p>21 corporately.</p> <p>22 Q. Do you have any role related to the</p>

<p style="text-align: right;">Page 14</p> <p>1 supply chain or production of handbags?</p> <p>2 A. The supply chain and the production piece</p> <p>3 are handled by my counterpart.</p> <p>4 Q. Who is your counterpart?</p> <p>5 A. Jeff Goldstein.</p> <p>6 Q. What is his title?</p> <p>7 A. VP of global sourcing.</p> <p>8 Q. For Steve Madden?</p> <p>9 A. Correct.</p> <p>10 Q. In your current role, do you have any</p> <p>11 role or responsibilities related to analyzing</p> <p>12 competition?</p> <p>13 A. Yes.</p> <p>14 Q. Can you please describe what that role</p> <p>15 is?</p> <p>16 A. I'm actively responsible for always being</p> <p>17 conscious of other brands that are selling</p> <p>18 handbags in the same retailers that I operate in.</p> <p>19 Q. Before joining Steve Madden, did you have</p> <p>20 a job that concerned handbags?</p> <p>21 A. Yes.</p> <p>22 Q. What job or jobs were those?</p>	<p style="text-align: right;">Page 16</p> <p>1 A. One -- the financial -- my financial</p> <p>2 partner, who works for the company.</p> <p>3 Q. What is that person's name?</p> <p>4 A. Dante Gioia.</p> <p>5 Q. What is that person's title?</p> <p>6 A. VP of finance and operations.</p> <p>7 Q. And why did you speak with Mr. Gioia</p> <p>8 about this deposition?</p> <p>9 A. It was in reference to the documents that</p> <p>10 were included in the deposition [sic], the</p> <p>11 financial documents, to review the ones that we</p> <p>12 would be presenting today.</p> <p>13 Q. Did you discuss anything else with</p> <p>14 Mr. Gioia?</p> <p>15 A. No.</p> <p>16 Q. For about how long did you speak with</p> <p>17 Mr. Gioia?</p> <p>18 A. Probably about an hour and a half total.</p> <p>19 Q. Do you recall specifically which document</p> <p>20 or documents you discussed with Mr. Gioia?</p> <p>21 A. Yes. May I look at the list of what you</p> <p>22 would refer to them as? I want to just make sure</p>
<p style="text-align: right;">Page 15</p> <p>1 A. I worked as an independent salesperson</p> <p>2 for a small designer.</p> <p>3 Q. What designer was that?</p> <p>4 A. Clara Kasavina.</p> <p>5 Q. Approximately when did you have that job?</p> <p>6 A. 2000 through 2005, I believe.</p> <p>7 Q. And what were your responsibilities</p> <p>8 there?</p> <p>9 A. I was an independent sales rep selling to</p> <p>10 specialty stores across the country.</p> <p>11 Q. What are specialty stores?</p> <p>12 A. It would be small independent retailers,</p> <p>13 as opposed to large chains or large department</p> <p>14 stores.</p> <p>15 Q. Could you provide an example?</p> <p>16 A. Sure. Ritz-Carlton gift shops.</p> <p>17 Q. Do you understand that you are testifying</p> <p>18 today, Ms. Tichner, as the corporate designee for</p> <p>19 Steve Madden in response to a subpoena?</p> <p>20 A. Yes.</p> <p>21 Q. Did you speak to anyone other than your</p> <p>22 counsel about this deposition?</p>	<p style="text-align: right;">Page 17</p> <p>1 I'm calling it the correct document. It's the</p> <p>2 financial sales for wholesale and retail and the</p> <p>3 production data. I have -- I don't know exactly</p> <p>4 what the code number is of your -- on the list of</p> <p>5 documents.</p> <p>6 Q. Unfortunately, I do not have a list that</p> <p>7 I can share with you, but --</p> <p>8 A. Let me see if I can find a reference</p> <p>9 code.</p> <p>10 Q. Was it an Excel document?</p> <p>11 A. Yes. It was an Excel document with a lot</p> <p>12 of tabs with sales data by division.</p> <p>13 Q. Thank you, Ms. Tichner.</p> <p>14 I'd like to talk about Steve Madden's</p> <p>15 business.</p> <p>16 Can you provide a brief description of</p> <p>17 Steve Madden's business?</p> <p>18 A. Sure. We're a fashion-forward lifestyle</p> <p>19 brand that markets footwear, accessories, and</p> <p>20 apparel globally.</p> <p>21 Q. Does Steve Madden sell handbags in the</p> <p>22 United States?</p>

Page 18	Page 20
1 A. Yes, we do.	1 Q. So a company other than Steve Madden owns
2 Q. How long has Steve Madden sold handbags	2 Anne Klein?
3 in the United States?	3 A. That's correct.
4 A. I'm not exactly sure of the date that the	4 Q. What company owns Anne Klein?
5 line launched.	5 A. I'm just blanking right now. It will
6 Q. Has it been for the duration of your	6 come to me, like, in a minute.
7 tenure at the company?	7 Q. That's okay.
8 A. Yes.	[REDACTED]
9 Q. What is Steve Madden's primary business?	[REDACTED]
10 A. A shoe company.	[REDACTED]
11 Q. I'd like to discuss Steve Madden's	[REDACTED]
12 handbag brands with you, Ms. Tichner.	[REDACTED]
13 A. Okay.	[REDACTED]
14 Q. Does Steve Madden have multiple brands	[REDACTED]
15 that sell handbags?	[REDACTED]
16 A. We do.	[REDACTED]
17 Q. What are Steve Madden's brands that sell	[REDACTED]
18 handbags in the United States?	[REDACTED]
19 A. Steve Madden, Betsey Johnson,	[REDACTED]
20 Love Betsey, Dolce Vita, Anne Klein.	[REDACTED]
21 Q. Any others?	[REDACTED]
22 A. No.	[REDACTED]
Page 19	Page 21
1 Q. Does Steve Madden own all those brands?	[REDACTED]
2 A. We own all of the brands that I	[REDACTED]
3 mentioned, except for Anne Klein. We just have	[REDACTED]
4 the license to distribute handbags under that	[REDACTED]
5 brand.	[REDACTED]
6 Q. How does Steve Madden conduct business	[REDACTED]
7 for brands for which it has a license, like	[REDACTED]
8 Anne Klein?	[REDACTED]
9 A. Can you repeat the question?	7 Q. Does Steve Madden sell its handbags in
10 Q. Sure.	8 different sales channels in the United States?
11 How does Steve Madden conduct business	9 A. Yes.
12 for brands for which it has a license to sell	10 Q. What are those sales channels?
13 products such as Anne Klein?	11 A. Department stores, specialty stores, some
14 A. The businesses are run the same. The	12 chains, off-price retailers, as well as our own
15 difference is in the financial recordings and the	13 stores.
16 profit centers.	14 Q. So Steve Madden has its own stores in the
17 Q. Can you explain those differences	15 United States?
18 further, please?	16 A. Yes.
19 A. A license -- we have licensing agreements	17 Q. Are those for the Steve Madden brand?
20 of where there are fees paid to the parent company	18 A. Yes.
21 that owns the brand. Those are included in the	19 Q. Did you say that Steve Madden sells
22 licensed brand.	20 handbags through other stores as well?
	21 A. Yes.
	22 Q. Are those wholesale stores?

<p>1 A. Yes. Wholesale accounts.</p> <p>2 VIDEO TECHNICIAN: Apologies, Counsel.</p> <p>3 I'm getting some interference. It sounds like</p> <p>4 it's coming from a cell phone. Hard to say where</p> <p>5 it's coming from.</p> <p>6 MR. COLWELL: If we can go off the record</p> <p>7 for a moment.</p> <p>8 VIDEO TECHNICIAN: Going off the record.</p> <p>9 The time is 9:58 a.m.</p> <p>10 (Discussion off the record.)</p> <p>11 VIDEO TECHNICIAN: Going back on the</p> <p>12 record. The time is 10:00 a.m.</p> <p>13 THE WITNESS: May I amend an answer to</p> <p>14 your previously asked question in regard to the</p> <p>15 parent company of the Anne Klein brand?</p> <p>16 BY MR. COLWELL:</p> <p>17 Q. Yes, Ms. Tichner.</p> <p>18 A. That's -- WHP-Global is the parent</p> <p>19 company.</p> <p>20 Q. So Steve Madden has a license agreement</p> <p>21 for the Anne Klein brand with that company?</p> <p>22 A. Correct.</p>	<p>Page 22</p> <p>1 the question, please?</p> <p>2 Q. Sure. Do Steve Madden handbags have</p> <p>3 resale value?</p> <p>4 A. I don't know. There are certain handbags</p> <p>5 that may be sold on resale to -- in second-party</p> <p>6 sources, or handbags that have been gently used</p> <p>7 can sometimes be found on secondary sites. But</p> <p>8 that's the extent of my knowledge.</p> <p>9 Q. Does Steve Madden, itself, sell resale</p> <p>10 handbags?</p> <p>11 A. We do not.</p> <p>12 Q. Why not?</p> <p>13 MR. BUTERMAN: Objection. Form.</p> <p>14 THE WITNESS: We sell new product through</p> <p>15 our own retail distribution sites and new product</p> <p>16 to our wholesale partners.</p> <p>17 BY MR. COLWELL:</p> <p>18 Q. You mentioned that you have</p> <p>19 responsibilities related to pricing for Steve</p> <p>20 Madden's handbags; is that right?</p> <p>21 A. Correct.</p> <p>22 Q. What is the price range for Steve Madden</p>
<p>1 [REDACTED]</p> <p>2 [REDACTED]</p> <p>3 [REDACTED]</p> <p>4 [REDACTED]</p> <p>5 [REDACTED]</p> <p>6 [REDACTED]</p> <p>7 [REDACTED]</p> <p>8 [REDACTED]</p> <p>9 [REDACTED]</p> <p>10 [REDACTED]</p> <p>11 [REDACTED]</p> <p>12 [REDACTED]</p> <p>13 [REDACTED]</p> <p>14 [REDACTED]</p> <p>15 [REDACTED]</p> <p>16 Q. Thank you, Ms. Tichner.</p> <p>17 And retail includes what?</p> <p>18 A. Steve Madden retail stores, as well as</p> <p>19 our dot-com direct-to-consumer business.</p> <p>20 Q. Is there a resale market for Steve Madden</p> <p>21 handbags?</p> <p>22 A. Can you rephrase that question or clarify</p>	<p>Page 23</p> <p>1 handbags sold in the United States?</p> <p>2 MR. BUTERMAN: Object to form.</p> <p>3 THE WITNESS: The bulk of the handbags</p> <p>4 suggested retails are a hundred -- about a hundred</p> <p>5 dollars and under.</p> <p>6 BY MR. COLWELL:</p> <p>7 Q. When you say bulk, what do you mean by</p> <p>8 that?</p> <p>9 A. There are styles that might be outliers</p> <p>10 that would have a suggested retail that is higher</p> <p>11 than a hundred dollars.</p> <p>12 Q. How do you determine the prices for Steve</p> <p>13 Madden's handbags?</p> <p>14 MR. BUTERMAN: Object to form.</p> <p>15 THE WITNESS: Well, the consumer sets a</p> <p>16 lot of this groundwork for us, depending on the --</p> <p>17 you know in our tier of distribution. I just work</p> <p>18 within the frame of the divisions to place the</p> <p>19 bags, make sure that we're priced competitively.</p> <p>20 BY MR. COLWELL:</p> <p>21 Q. And what do you mean by priced</p> <p>22 competitively?</p>

<p style="text-align: right;">Page 26</p> <p>1 A. If you would -- if we talk about the 2 other brands that sit in our area of distribution, 3 we would be priced equivalent or have like or same 4 suggested retails for similar brands.</p> <p>5 Q. What is that distribution tier that you 6 just mentioned?</p> <p>7 A. Can you rephrase the question?</p> <p>8 Q. Sure. If I heard you correctly, 9 Ms. Tichner, you described a tier of distribution 10 for Steve Madden handbags.</p> <p>11 I'd like to understand what that is.</p> <p>12 MR. BUTERMAN: Objection.</p> <p>13 THE WITNESS: The segment of business has 14 several names. It can be referred to as opening 15 price point, moderate, trend, fashion.</p> <p>16 BY MR. COLWELL:</p> <p>17 Q. And Steve Madden's handbags are within 18 that opening price point tier that you just 19 described?</p> <p>20 MR. BUTERMAN: Objection.</p> <p>21 THE WITNESS: They're in that segment.</p> <p>22</p>	<p style="text-align: right;">Page 28</p> <p>1 handbags are about a hundred -- as I said, a 2 hundred dollars and under. There's ranges above 3 and ranges below as well.</p> <p>4 Q. What are the ranges above?</p> <p>5 A. Over 150 and up to -- to \$1500 and up.</p> <p>6 Q. What is the \$1500 and up segment?</p> <p>7 A. Luxury designer.</p> <p>8 MR. GRUNDVIG: Objection to form.</p> <p>9 BY MR. COLWELL:</p> <p>10 Q. What brands are in the luxury designer 11 segment?</p> <p>12 A. Gucci, LV, Prada.</p> <p>13 Q. You mentioned another segment, and I 14 believe you said over \$150; is that right?</p> <p>15 A. I was just referring to price points that 16 would cover bags that were above sort of the 17 highest price point at Steve Madden.</p> <p>18 Q. Thank you, Ms. Tichner.</p> <p>19 Are you familiar with any segments 20 between opening price point and designer luxury?</p> <p>21 A. Yes. There are many: designer, emerging 22 designer, contemporary, advanced contemporary.</p>
<p style="text-align: right;">Page 27</p> <p>1 BY MR. COLWELL:</p> <p>2 Q. Are you familiar with any other tiers for 3 handbags sold in the United States?</p> <p>4 MR. BUTERMAN: Objection.</p> <p>5 MR. GRUNDVIG: Objection to form.</p> <p>6 MR. BUTERMAN: Counsel, please stop 7 trying to put the word "tiers" into the witness' 8 mouth. She hasn't used it once yet.</p> <p>9 MR. COLWELL: Counsel, I believe the 10 witness has used the word "tier."</p> <p>11 BY MR. COLWELL:</p> <p>12 Q. Did I mishear you, Ms. Tichner?</p> <p>13 A. I don't remember if I used the 14 word "tier" or "segment." I -- I don't remember.</p> <p>15 Q. Thank you, Ms. Tichner.</p> <p>16 Based on your knowledge and experience in 17 the industry, Ms. Tichner, are you familiar with 18 any other segments aside from the one you just 19 described?</p> <p>20 A. Yes.</p> <p>21 Q. What are those other segments?</p> <p>22 A. There are a lot. There are -- my</p>	<p style="text-align: right;">Page 29</p> <p>1 Q. Are you familiar with the brand Coach?</p> <p>2 A. Yes.</p> <p>3 Q. In -- in what segment do you consider 4 Coach handbags to be?</p> <p>5 MR. BUTERMAN: Objection.</p> <p>6 THE WITNESS: Designer.</p> <p>7 BY MR. COLWELL:</p> <p>8 Q. Are you familiar with Kate Spade, the 9 brand?</p> <p>10 A. Yes.</p> <p>11 Q. What segment --</p> <p>12 A. Designer.</p> <p>13 Q. -- are Kate Spade handbags in?</p> <p>14 A. Designer.</p> <p>15 Q. And what segment is Michael Kors?</p> <p>16 MR. BUTERMAN: Objection.</p> <p>17 THE WITNESS: Designer.</p> <p>18 BY MR. COLWELL:</p> <p>19 Q. Are you familiar with any subcategories 20 or segments to the designer category or segment 21 that you described?</p> <p>22 MR. BUTERMAN: Object to form.</p>

<p>1        THE WITNESS: It could be emerging 2 designer, select designer, designer boutique. 3 Each retailer classifies brands distinctively to 4 that retailer.</p> <p>5 BY MR. COLWELL:</p> <p>6        Q. Based on your knowledge and experience in 7 the handbag industry, are you familiar with the 8 phrase "accessible luxury"?</p> <p>9        MR. BUTERMAN: Objection.</p> <p>10       THE WITNESS: Yes.</p> <p>11 BY MR. COLWELL:</p> <p>12       Q. What do you understand that phrase to 13 mean?</p> <p>14       A. Those would represent brands that the 15 customer would view as designer that are at 16 affordable -- what they view -- what are 17 affordable price points for that segment of 18 customer.</p> <p>19       Q. What handbag brands are in that segment?</p> <p>20       A. There's a lot.</p> <p>21       MR. BUTERMAN: Objection.</p> <p>22       THE WITNESS: Michael Kors, Kate Spade,</p>	<p>Page 30</p> <p>1        A. I would classify Louis Vuitton as a true 2 luxury designer.</p> <p>3        Q. And what makes a true luxury designer 4 different from the other segment?</p> <p>5        MR. GRUNDVIG: Objection. Form.</p> <p>6        THE WITNESS: Price points -- opening 7 price points starting in true luxury are higher.</p> <p>8 BY MR. COLWELL:</p> <p>9        Q. How much higher?</p> <p>10       MR. BUTERMAN: Objection.</p> <p>11       THE WITNESS: I can only give you the 12 range of where I believe the bulk of true luxury 13 handbags begins at, and I believe it is at about 14 \$1500 and up.</p> <p>15 BY MR. COLWELL:</p> <p>16       Q. Are there any other brands that you would 17 categorize as true luxury designers?</p> <p>18       A. I can repeat. I don't know if I said 19 them when you asked me before, but Louis Vuitton, 20 Gucci, Prada, Celine.</p> <p>[REDACTED]</p> <p>[REDACTED]</p>
<p>1        Coach, Marc Jacobs, Tory Burch. There are other 2 ones as well.</p> <p>3 BY MR. COLWELL:</p> <p>4        Q. What are the differences between that 5 segment and the opening price point segment that 6 you described?</p> <p>7        A. Two primary differences. One would be 8 opening price point segment, most of the handbags 9 are constructed of non-leather material; and two, 10 price point.</p> <p>11       Q. So do one of those segments use certain 12 kinds of materials?</p> <p>13       A. The handbags in the opening price point 14 segment are non- -- for all practical purposes, 15 non-leather materials.</p> <p>16       Q. Based on your knowledge and experience, 17 is Louis Vuitton in that accessible luxury 18 segment?</p> <p>19       MR. BUTERMAN: Objection.</p> <p>20       THE WITNESS: No.</p> <p>21 BY MR. COLWELL:</p> <p>22       Q. Why not?</p>	<p>Page 31</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>4        Q. What are stores' private brands?</p> <p>5        A. Individual retailers have brands that are 6 their own, intrinsic to that specific retailer.</p> <p>7        Q. Does Steve Madden produce any private 8 label products?</p> <p>9        A. Yes.</p> <p>10       Q. Does Steve Madden produce private label 11 handbags?</p> <p>12       A. Yes.</p> <p>13       Q. Are Steve Madden's private label handbags 14 different from other handbags that it sells?</p> <p>15       A. I don't manage that segment of our 16 business, so I could not answer the question 17 completely accurately for you.</p> <p>18       Q. That's fine. Thank you, Ms. Tichner.</p> <p>19       Do you have responsibilities,</p> <p>20 Ms. Tichner, related to sourcing materials for 21 Steve Madden's handbags?</p> <p>22       A. The sourcing and the production are</p>

Page 34	Page 36
1 handled by my counterpart.	1 the record. The time is 10:24 a.m.
2 Q. Who is your counterpart?	2 (A recess was taken.)
3 A. Jeff Goldstein.	3 VIDEO TECHNICIAN: Going back on the
4 Q. Are you familiar with where Steve Madden	4 record. The time is 10:36 a.m.
5 produces handbags?	5 BY MR. COLWELL:
6 A. Yes.	6 Q. Ms. Tichner, you mentioned that Steve
7 Q. Where is that?	7 Madden has its handbags manufactured predominantly
8 A. About 95 percent is produced in Asia.	8 in Asia.
[REDACTED]	[REDACTED]
13 Q. Does Steve Madden manufacture handbags	13 Q. Does Steve Madden manufacture handbags
14 itself in those locations?	14 itself in those locations?
15 A. Can you please repeat the question --	15 A. Can you please repeat the question --
16 rephrase the question?	16 rephrase the question?
17 Q. Sure.	17 Q. Sure.
18 Does Steve Madden actually manufacture	18 Does Steve Madden actually manufacture
19 the handbags it sells itself?	19 the handbags it sells itself?
20 A. We are not -- we work with valued	20 A. We are not -- we work with valued
21 partners as factories. We do not own the	21 partners as factories. We do not own the
22 factories.	22 factories.
Page 35	Page 37
1 Q. What is a factor?	1 handbags is PU, non-leather-like material.
2 A. Factory.	2 Q. Is PU polyurethane?
3 Q. Pardon me.	3 A. Yes.
4 So external vendors manufacture the	4 Q. Why does Steve Madden use PU for its
5 products?	5 handbags?
6 A. Yes.	6 A. PU materials have a very leather-like
7 Q. And those vendors are located in the --	7 look to them.
8 A. They're lo- --	8 Q. How does the cost of PU materials compare
9 Q. -- places you mentioned?	9 to the cost of leather?
10 A. Correct.	10 MR. GRUNDVIG: Objection. Form.
11 Q. Are you familiar with where Steve Madden	11 THE WITNESS: PU costs less than leather.
12 sources materials for its handbags?	12 BY MR. COLWELL:
13 A. Yes.	13 Q. Does Steve Madden consider the cost of
14 Q. Where is that?	14 the material in selecting it?
15 A. Sourcing is primarily in Asia as well.	15 MR. BUTERMAN: Object to form.
16 MR. COLWELL: Now would be a good time to	16 THE WITNESS: Yes.
17 take a break. Would you like to take a break,	17 BY MR. COLWELL:
18 Ms. Tichner?	18 Q. I'd like to move to talk about the design
19 THE WITNESS: Yes. Thank you.	19 of Steve Madden handbags, Ms. Tichner.
20 MR. COLWELL: Okay. We can go off the	20 Do you have responsibilities related to
21 record.	21 the design of Steve Madden handbags?
22 VIDEO TECHNICIAN: Thank you. Going off	22 A. Yes.

Page 38	Page 40
1 Q. What are those responsibilities?	1 Q. What are trending designs?
2 A. I manage the team of designers that work	2 A. Trends that are emerging in the
3 on the product.	3 marketplace globally, not -- not always specific
4 Q. How does Steve Madden design its	4 to handbags.
5 handbags?	5 Q. How does Steve Madden become aware of
6 MR. GRUNDVIG: Objection. Form.	6 those trends?
7 THE WITNESS: May -- can you please	7 A. It's the lifeblood of the company. We're
8 clarify the question as related to Steve Madden or	8 highly focused on trend and fashion, and that
9 Steve Madden handbags as a general...	9 comes from a corporate perspective.
10 BY MR. COLWELL:	10 Q. Aside from trends, what else do the
11 Q. Does the design process differ by Steve	11 brands consider when designing handbags?
12 Madden handbag brand?	12 A. Silhouette, colors, different things
13 A. Yes.	13 happening in the marketplace. Even social
14 Q. How does it differ?	14 conditions happening in the marketplace.
15 A. Each brand has separate design process	15 Q. Do Steve Madden's handbag brands design
16 unique to its DNA.	16 handbags for any specific types of customers?
17 Q. What do you mean by unique to its DNA?	17 MR. BUTERMAN: Object to form.
18 A. May I give an example to clarify this?	18 THE WITNESS: We like to design handbags
19 Q. Please do.	19 to cover a broad base of customer.
20 A. Steve Madden brand is very trend-driven.	20 BY MR. COLWELL:
21 So the fastest fashion looks would be something	21 Q. Does that differ in any way by Steve
22 that would be the DNA of Steve Madden.	22 Madden handbag brand?
Page 39	Page 41
1 You have a brand like Betsey Johnson,	1 A. Other brands may be a bit more specific
2 which is very fun and whimsical and might have a	2 to the brand, such as Betsey Johnson, which is
3 different DNA.	3 heavily print-driven and specific in that sense.
4 Q. How would you describe the DNA for the	4 Q. Is that brand specific in any other
5 Betsey Johnson brand?	5 senses?
6 A. Whimsical, fun. There's also an edgy	6 A. Not -- no.
7 side of it, but very specific to Betsey Johnson.	7 Q. What about the other handbag brands?
8 Q. How would you describe the brand DNA for	8 A. Each one of them has specificity in its
9 the licensed brand Anne Klein?	9 DNA but also markets within their DNA to a broad
10 A. I would describe that as more	10 base of customers.
11 traditional. More buttoned-up.	11 Q. Can you explain the differences between
12 Q. I'd like to talk about how each of Steve	12 Steve Madden's handbag brands as it relates to
13 Madden's handbag brands design handbags, the	13 that specificity that you just described?
14 process.	14 MR. BUTERMAN: Objection. Form.
15 Starting with the Steve Madden brand, how	15 MR. GRUNDVIG: Objection.
16 does that brand design handbags?	16 THE WITNESS: Can you clarify if you mean
17 A. The process for designing handbags for	17 between each of the brands? Is that what you're
18 Steve Madden and the other brands, it's -- the	18 asking? Do you want me --
19 design process is very similar, but we use	19 BY MR. COLWELL:
20 separate and distinct design teams for each one.	20 Q. Yes.
21 Steve Madden would be heavily focused	21 A. Steve Madden -- all of the brands, when I
22 into trending designs.	22 see the product and we see the product in end use,

<p style="text-align: right;">Page 42</p> <p>1 meaning we see actual consumers with it, we can 2 see a broad-based customer. Maybe that would help 3 explain it.</p> <p>4 Q. Does that customer differ by brand?</p> <p>5 A. There are always similarities and always 6 differences from brand to brand. And brand to 7 brand from store to store.</p> <p>8 Q. Focusing on Steve Madden's handbag 9 brands, can you describe the differences for each 10 of the handbag brands?</p> <p>11 MR. BUTERMAN: Objection.</p> <p>12 MR. GRUNDVIG: Objection. Form.</p> <p>13 THE WITNESS: We would use something like 14 age as a difference between our handbag customer. 15 The end use of the same product in two different 16 settings would be a range of customers.</p> <p>17 That's two good examples.</p> <p>18 MR. COLWELL: I'd like to show you a 19 document, Ms. Tichner. I'm introducing it via 20 Exhibit Share.</p> <p>21 Are you logged into Exhibit Share?</p> <p>22 THE WITNESS: I'm not sure.</p>	<p style="text-align: right;">Page 44</p> <p>1 BY MR. COLWELL:</p> <p>2 Q. Can you see the document, Ms. Tichner?</p> <p>3 A. Yes.</p> <p>4 Q. This is a native file, Excel file, that 5 we've marked as PX3025.</p> <p>6 Do you recognize this document, 7 Ms. Tichner?</p> <p>8 A. Yes.</p> <p>9 Q. And is this document, PX3025, an Excel 10 spreadsheet from Steve Madden containing certain 11 sales data?</p> <p>12 A. Can you repeat the number again, please, 13 of -- the document number?</p> <p>14 Q. Sure.</p> <p>15 I've marked it in preparation for this 16 deposition as PX3025. Steve Madden produced it as 17 MDDN-TAP000075.</p> <p>18 A. Yes.</p> <p>19 Q. Is this the document that you reviewed 20 with your colleague, Mr. Gioia?</p> <p>21 A. Yes.</p> <p>22 Q. If you click on the tab marked</p>
<p style="text-align: right;">Page 43</p> <p>1 MR. GRUNDVIG: Why don't you show it, and 2 we may need to pull it up on a laptop here. 3 (Tichner Deposition Exhibit PX3025 marked 4 for identification and attached to the 5 transcript.)</p> <p>6 MR. COLWELL: The exhibit is marked 7 PX3025. It was produced as MDDN-TAP000075. And 8 it appears to be an Excel spreadsheet that 9 contains certain data for wholesale and retail 10 sales from Steve Madden from the period of 11 January 2019 through April 2024.</p> <p>12 MR. GRUNDVIG: Peter, we need to pull 13 that up. We're not getting it through the 14 connection we have.</p> <p>15 MR. COLWELL: It should be located in the 16 marked exhibit folder in Exhibit Share.</p> <p>17 MR. GRUNDVIG: We need to pull up Exhibit 18 Share. Hold on one sec.</p> <p>19 MR. COLWELL: Okay. (Discussion off the record.)</p> <p>20 THE WITNESS: I think we're set.</p>	<p style="text-align: right;">Page 45</p> <p>1 WL US Bags-2023.</p> <p>2 Do you see that?</p> <p>3 A. Can you just repeat the tab again, 4 please?</p> <p>5 Q. WL US Bags-2023.</p> <p>6 A. Let me get there. I'm just going to make 7 the screen larger.</p> <p>8 THE WITNESS: Maybe that's okay. (Discussion off the record.)</p> <p>9 THE WITNESS: Hold, please.</p> <p>10 VIDEO TECHNICIAN: Counsel, would you 11 like to go off the record?</p> <p>12 MS. KEITH: Maybe for a minute, just so 13 we can figure out whose screen she should look at 14 to best see it.</p> <p>15 MR. COLWELL: Yes. Thank you. That 16 would be helpful, just to make sure she has it.</p> <p>17 VIDEO TECHNICIAN: Going off the record. 18 The time is 10:57 a.m. (Discussion off the record.)</p> <p>19 THE WITNESS: I think we're set.</p> <p>20 VIDEO TECHNICIAN: Going back on the 21 record. The time is 10:59 a.m.</p>

<p style="text-align: right;">Page 46</p> <p>1 BY MR. COLWELL:</p> <p>2 Q. Ms. Tichner, are you able to see the</p> <p>3 spreadsheet that I've marked as PX3025?</p> <p>4 A. Yes.</p> <p>5 Q. Were you able to go to the tab</p> <p>6 WL US Bags-2023?</p> <p>7 A. Yes.</p> <p>8 Q. What do you understand the data in this</p> <p>9 tab to be for?</p> <p>10 A. These are U.S. wholesale sales for the</p> <p>11 year of 2023.</p> <p>12 Q. Does WL refer to wholesale in this</p> <p>13 spreadsheet?</p> <p>14 A. Yes.</p> <p>15 Q. One of the columns in this tab is titled,</p> <p>16 "Original Price."</p> <p>17 Do you see that?</p> <p>18 A. Yes.</p> <p>19 Q. What does original price refer to in this</p> <p>20 spreadsheet?</p> <p>21 A. The price that the item was sold to the</p> <p>22 customer at.</p>	<p style="text-align: right;">Page 48</p> <p>1 item, and then what it actually cost us would be a</p> <p>2 combination of all of those individual pieces.</p> <p>3 Q. Can you turn to the -- tab 4, retail --</p> <p>4 or RT, pardon me. The tab is labeled</p> <p>5 RT US Bags M3-2023.</p> <p>6 A. I can't find it here, but --</p> <p>7 MS. KEITH: Here.</p> <p>8 THE WITNESS: I have it.</p> <p>9 BY MR. COLWELL:</p> <p>10 Q. What do you understand this tab,</p> <p>11 RT US Bags M3-2023, to represent?</p> <p>12 A. It records the sale of our own retail</p> <p>13 stores, together with our direct-to-consumer,</p> <p>14 meaning our e-commerce site, for Steve Madden.</p> <p>15 And it also includes Dolce Vita and Betsey Johnson</p> <p>16 retail or -- and/or direct-to-consumer are</p> <p>17 captured in that division.</p> <p>18 Q. Does RT on this spreadsheet reference</p> <p>19 retail?</p> <p>20 A. Yes.</p> <p>21 Q. One of the columns on this spreadsheet is</p> <p>22 titled, "Cost of Sale."</p>
<p style="text-align: right;">Page 47</p> <p>1 Q. Does this sheet show any discounting to</p> <p>2 prices?</p> <p>3 A. The only way that I would know if the</p> <p>4 original price here shows a discount is if I had</p> <p>5 all -- the wholesale list that documents every</p> <p>6 single SKU that's listed.</p> <p>7 Q. What costs of sale are included on the</p> <p>8 wholesale sheets in this Excel file?</p> <p>9 A. Can you please rephrase the question?</p> <p>10 Q. Sure.</p> <p>11 There is a column titled, "Cost of Sale"</p> <p>12 for the tab we're on, WL US Bags-2023.</p> <p>13 Do you see that?</p> <p>14 A. Yes.</p> <p>15 Q. What is cost of sale?</p> <p>16 A. That refers to the price or the cost that</p> <p>17 the item technically is in our system at. Sort of</p> <p>18 our landed cost, if you will.</p> <p>19 Q. What is landed cost?</p> <p>20 A. That would refer to the first cost of the</p> <p>21 item, plus whatever transportation or duty or</p> <p>22 freight, whatever was added on to the price of the</p>	<p style="text-align: right;">Page 49</p> <p>1 Do you see that?</p> <p>2 A. Just a moment.</p> <p>3 MS. KEITH: It's a touchscreen, so you</p> <p>4 can...</p> <p>5 THE WITNESS: Okay. That would refer to</p> <p>6 the cost in the system for those divisions.</p> <p>7 Similar to the cost that's in the wholesale</p> <p>8 system.</p> <p>9 BY MR. COLWELL:</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>16 Q. I'd like to turn to the tab titled</p> <p>17 RT US Bags ORSI 2019-2024, 04 is in parentheses.</p> <p>18 Do you see that tab?</p> <p>19 A. Yes.</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>

<p>11 Q. Steve Madden uses those systems --</p> <p>12 A. Correct.</p> <p>13 Q. -- internally?</p> <p>14 A. Correct.</p> <p>15 Q. This tab includes a class category. It's</p> <p>16 a column, rather --</p> <p>17 A. Yes.</p> <p>18 Q. "Class" is the title of that column.</p> <p>19 Do you see it?</p> <p>20 A. Yes.</p> <p>21 Q. What does "class" mean here?</p> <p>22 A. It's a segment on which to define the</p>	<p>1 minibag, we might refer to backpack, small</p> <p>2 backpack, large, just for analytics.</p> <p>3 BY MR. COLWELL:</p> <p>4 Q. Going back to the tab WL US Bags-2023</p> <p>5 Do you see that?</p> <p>6 A. Yes.</p> <p>7 Q. Is there a column that provides category</p> <p>8 information, similar to the class and subclass</p> <p>9 columns that we just reviewed in the retail tab?</p> <p>10 A. It would be located in either one of two</p> <p>11 columns, I believe product group or subgroup.</p> <p>12 Q. What does product group include? The</p> <p>13 column product group.</p> <p>14 A. Yup. Those are hierarchy codes we use to</p> <p>15 assign the specific attributes of the bags so that</p> <p>16 we can classify them.</p> <p>17 Q. And what is subgroup in the subgroup</p> <p>18 column?</p> <p>19 A. It would be by not only the category but</p> <p>20 also by color, I believe.</p> <p>21 Q. For the product at issue?</p> <p>22 A. Correct.</p>
<p>Page 51</p> <p>1 category of where the bag sits. So day -- I see</p> <p>2 day, a day bag, a larger size bag, evening. Might</p> <p>3 be something that was smaller that one would</p> <p>4 classify as an evening bag.</p> <p>5 Q. The next column is titled, "Subclass."</p> <p>6 Do you see that?</p> <p>7 A. Yes.</p> <p>8 Q. What does that represent?</p> <p>9 A. Again, I manage the wholesale, but it is</p> <p>10 basically a handbag silhouette, taking a category</p> <p>11 and then breaking it down by silhouette.</p> <p>12 For instance, you might have a day</p> <p>13 handbag that could be characterized as an hobo or</p> <p>14 a tote or a satchel or a mini. So it's a further</p> <p>15 characterization.</p> <p>16 Q. Does wholesale uses the same</p> <p>17 categorizations?</p> <p>18 A. Similar.</p> <p>19 Q. How are they different?</p> <p>20 A. We --</p> <p>21 MR. GRUNDVIG: Objection. Form.</p> <p>22 THE WITNESS: We might, instead of</p>	<p>Page 53</p> <p>1 Q. I'd like to go to the tab marked</p> <p>2 M3-production data.</p> <p>3 A. I have it.</p> <p>4 Q. What does this tab represent?</p> <p>5 A. These are the orders -- it's production</p> <p>6 data to quantify the orders that we place to the</p> <p>7 factory for the specific styles that we sell by</p> <p>8 division.</p> <p>9 Q. Can you explain that process further,</p> <p>10 placing orders?</p> <p>11 A. Sure. When we place an order for a</p> <p>12 product, we place something called a WIP, which is</p> <p>13 short for work in progress. And it's just sort of</p> <p>14 the purchase order for those particular items that</p> <p>15 we buy from the different factories. So we record</p> <p>16 the actual purchasing of them in separate</p> <p>17 divisions -- in separate lines, and we do,</p> <p>18 obviously, the sale for it.</p> <p>19 Q. Thank you for explaining that for me,</p> <p>20 Ms. Tichner.</p> <p>21 There is a column on the same tab,</p> <p>22 M3-production data, titled, "Supplier name."</p>

Page 54	Page 56
1 Do you see that?	1 Q. I'd like to move to the next and final
2 A. Just a moment. Yes. Those would be the	2 tab, which is titled ORSI production data.
3 names of the suppliers to where we place the	3 Do you see that?
4 orders.	4 A. Yes.
5 Q. What do these suppliers do for Steve	5 Q. What information is conveyed in this tab?
6 Madden?	6 A. Those would be the orders that the Steve
7 A. To clarify, supplier would be	7 Madden retail stores places directly for bags that
8 interchangeable word with factory. So they're the	8 will be distributed at retail stores and
9 actual factory -- we call them suppliers -- that	9 direct-to-consumer.
10 manufacture the bags.	10 It also included Betsey Johnson and
11 Q. There is another column titled, "Country	11 Dolce Vita before those moved, again, into the M3
12 of origin."	12 above it.
13 Do you see that?	13 It refers to the orders for the retail
14 A. Yes.	14 stores that are placed at the factory.
15 Q. What does that column contain?	[REDACTED]
16 A. That is the country of where each item is	[REDACTED]
17 made specifically.	[REDACTED]
18 Q. The next column is titled, "Period," and	[REDACTED]
19 then, in parentheses, YYYYMM.	[REDACTED]
20 Do you see that column?	19 MR. BUTERMAN: Object to form.
21 A. I do.	20 THE WITNESS: Oh. Can you please ask the
22 Q. What information is in this column?	21 question again?
	22
	Page 55
1 A. That is the year and the month of the	
2 order from the supplier to our company.	[REDACTED]
3 Q. What happens after you place that order?	[REDACTED]
4 A. Magic. No. The factory gets the order.	[REDACTED]
5 Then, based on the calendar, the dates for each	[REDACTED]
6 item are different, meaning each order is placed	[REDACTED]
7 to correspond to the shipping period of which we	[REDACTED]
8 ship the handbags to our customers.	[REDACTED]
9 So they're on a calendar. They produce	[REDACTED]
10 and manufacture the bags. And then those bags	[REDACTED]
11 then are shipped to us so that we can meet the	[REDACTED]
12 deadlines and the deliveries that are written for	[REDACTED]
13 each order by brand.	[REDACTED]
14 Q. There's a column titled, "Landed Cost."	14 Q. Thank you, Ms. Tichner. You can put --
15 Do you see that column?	15 A. That away?
16 A. I do.	16 Q. -- PX3025 away.
17 Q. What is in that column?	17 MR. COLWELL: I'd like to take a short
18 A. I just want to make sure I'm seeing it	18 break, if we can go off the record.
19 correctly.	19 VIDEO TECHNICIAN: Going off the record.
20 So that is an extension of, I believe,	20 The time is 11:22 a.m.
21 multiplying a certain amount of units that's in	21 (A recess was taken.)
22 the column before by the landed cost per bag.	22 VIDEO TECHNICIAN: Going back on the

Page 58	Page 60
1 record. The time is 11:32 a.m.	1 And this will be DX -- is it 707, Kimon?
2 MR. COLWELL: Ms. Tichner, thanks very	2 MR. TRIANTAFYLLOU: That's right.
3 much again for your time today. Those are all of	3 THE WITNESS: Does it have a header on
4 the questions for you that I have at the moment,	4 the top?
5 but I'll reserve the remainder of my time to use	5 MR. BUTERMAN: This is -- you'll see it
6 if necessary.	6 in the Exhibit Share in a moment.
7 THE WITNESS: You're welcome. Nice	7 At the top it will say United States
8 meeting you.	8 Securities and Exchange Commission Form 10-K,
9 MR. COLWELL: Likewise.	9 Steve Madden, Ltd.
10 EXAMINATION BY COUNSEL FOR TAPESTRY, INC.	10 (Tichner Deposition Exhibit DX707 marked
11 BY MR. BUTERMAN:	11 for identification and attached to the
12 Q. Good morning, Ms. Tichner. As I	12 transcript.)
13 mentioned earlier, my name is Larry Buterman, and	13 BY MR. BUTERMAN:
14 I'm an attorney representing Tapestry, Inc., in	14 Q. You may -- it should be in the Exhibit
15 connection with these cases.	15 Share now. You just would need to refresh.
16 Ms. Tichner, is Steve Madden a public	16 A. I see it.
17 company?	17 Q. Great. And you see that it says, United
18 A. Yes.	18 States Securities and Exchange Commission, D.C.
19 Q. As a public company, does Steve Madden	19 20549, Form 10-K. And then, underneath there,
20 make regular filings to the Securities and	20 there's a box that's checked that says, Annual
21 Exchange Commission?	21 report pursuant to Section 13 or 15(d) of the
22 MR. GRUNDVIG: Objection. Form.	22 Securities Exchange Act of 1934 for the fiscal
Page 59	Page 61
1 MR. COLWELL: Objection. Leading.	1 year ended December 31st, 2023?
2 THE WITNESS: I believe -- I can't answer	2 A. I do not see that yet.
3 that. Maybe with earnings reports and things like	3 Q. Okay.
4 that. I'm not familiar with that part.	4 A. If you'd like to read back that sentence
5 BY MR. BUTERMAN:	5 quickly, I believe I found what you asked me.
6 Q. Have you ever heard of something called a	6 Q. Sure. On the top of the first page of
7 Form 10-K?	7 the document, do you see that it says, United
8 A. I don't believe so.	8 States Securities and Exchange Commission,
9 Q. Okay. Do you know if, when Steve Madden	9 Washington, D.C. 20549, and then there's a box
10 makes filings to the Securities and Exchange	10 that's marked and next to it it says, Annual
11 Commission, it attempts to be truthful and	11 report pursuant to Section 13 or 15(d) of the
12 accurate?	12 Securities Exchange Act of 1934 for the fiscal
13 MR. COLWELL: Objection.	13 year ended December 31st, 2023?
14 MR. GRUNDVIG: Objection.	14 A. Yes.
15 MR. COLWELL: Foundation and form.	15 Q. Okay. And I'll represent to you that
16 THE WITNESS: If we made a filing, I know	16 this is Steve Madden's most recent annual report
17 it would be truthful and accurate.	17 that it filed with the SEC.
18 BY MR. BUTERMAN:	18 Can you turn to page 5 of the document?
19 Q. Okay. I'd like to show you a document.	19 It's the page that starts at the top with the
20 MR. BUTERMAN: This is in the tab	20 bolded heading "Item 1. Business."
21 binder -- it's Exhibit 34. That's for my team to	21 MS. KEITH: It's page 5 of the document,
22 get it into the Exhibit Share.	22 page 3 of the numbered pages --

Page 62	Page 64
1       MR. BUTERMAN: Yes, that's correct.	1 various countries in Asia."
2 Sorry. I was going by the PDF pages.	2       Q. Is that a truthful and accurate
3       MS. KEITH: I think she was confused.	3 statement?
4       MR. BUTERMAN: Thank you.	4       A. Yes. That is a true and accurate
5       THE WITNESS: Okay. I found the page	5 statement.
6 that you're looking for.	6       Q. Okay. Could you look down a little bit
7 BY MR. BUTERMAN:	7 further on the page where it says -- you see it
8       Q. Okay. And can you just read the first	8 says, "Our segments"?
9 two sentences into the record?	9       A. Yes.
10      A. Would you like me to read the header on	10      Q. And then underneath there's a section
11 the page --	11 entitled, "Wholesale accessories/apparel."
12      Q. Sure. That's fine.	12      Do you see that?
13      A. Safe harbor statement --	13      A. Yes.
14      Q. Oh, no, no, no, I'm sorry -- not the	14      Q. Could you read that paragraph, please?
15 header on the page. I'd just like you to read the	15      A. "Wholesale accessories/apparel. Our
16 part under item 1, business.	16 wholesale accessories/apparel segments designs,
17      MS. KEITH: There.	17 sources, and markets our brands and sells our
18      THE WITNESS: I apologize, my pages are	18 products to department stores, mass merchants,
19 not lining up with yours.	19 off-price retailers, online retailers, specialty
20      MS. KEITH: It's page 5 -- page 3 of the	20 retailers, independent stores, and clubs
21 report, so up -- yeah. Why is it not -- that's 5.	21 throughout the United States, Canada, Mexico, and
22 It's page 3. There you go. Item 1, business.	22 Europe, and through our joint ventures and
Page 63	Page 65
1       Do you need him to zoom? Can you see?	1 international distributor network. Our wholesale
2       THE WITNESS: I can read.	2 accessories/apparel business primarily consists of
3       MS. KEITH: Okay.	3 handbags, apparel, small leather goods, belts,
4       THE WITNESS: Item 1 business. Shall I	4 soft accessories, fashion scarves, wraps, gifting,
5 begin there?	5 and other trend accessories. The wholesale
6 BY MR. BUTERMAN:	6 accessories/apparel segment primarily consists of
7       Q. Yeah, just the first two sentences.	7 the following brands: Steve Madden, Anne Klein,
8       A. "Steve Madden, Limited, and its	8 Betsey Johnson, Dolce Vita. This segment also
9 subsidiary [sic] design, source, and market	9 includes our private label handbag and accessories
10 fashion-forward branded private label footwear,	10 business. This segment represents 21 percent of
11 accessories and apparel. We distribute our	11 total revenue, 2023."
12 products in the wholesale channel through	12      Q. And to the best of your knowledge, are
13 department stores, mass merchants, off-price	13 those statements correct and accurate?
14 retailers, shoe chains, online retailers, national	14      A. Yes.
15 chains, specialty retailers, independent stores,	15      Q. If you look down in the
16 and clubs throughout the United States, Canada,	16 direct-to-consumer section below, do you see
17 Mexico, and Europe and other international markets	17 there's a paragraph that begins, "In 2023" --
18 through our joint ventures in Israel, South	18      A. Yes, I do.
19 Africa, China, Taiwan, Malaysia, and the Middle	19      Q. It's the second -- okay.
20 East, along with special distribution arrangements	20      Can you read the second sentence, the one
21 in certain European countries, North Africa, South	21 that begins, "As of December 31st"?
22 Africa [sic], Central America, Australia, and	22      A. "As of December 31st, 2023, we operated

<p style="text-align: right;">Page 66</p> <p>1 255 brick-and-mortar retail stores, including 181 2 Steve Madden full-price stores, 71 Steve Madden 3 outlet stores, and three Dolce Vita full-price 4 store." Typo.</p> <p>5 Did you want me to continue --</p> <p>6 Q. Is that sentence truthful and accurate?</p> <p>7 A. Yes. That's truthful and accurate.</p> <p>8 Q. Can you scroll down to the next page?</p> <p>9 And that's page 4 of the document, page 6 of the 10 PDF, to the part that reads, "Product Design and 11 Development."</p> <p>12 Do you see that?</p> <p>13 A. Yes.</p> <p>14 Q. Could you read that paragraph, please?</p> <p>15 A. "Product design and development. We have 16 established a reputation for our creative designs, 17 marketing, and trend-right products in affordable 18 price points. Our future success will be -- 19 substantially depend on our ability to continue to 20 anticipate and react quickly to changing -- react 21 quickly to changing consumer demands. To meet 22 this objective, we have developed what we believe</p>	<p style="text-align: right;">Page 68</p> <p>1 BY MR. BUTERMAN:</p> <p>2 Q. Where does Steve Madden learn of the 3 current or anticipated trends that its design team 4 strives to create designs that match up with?</p> <p>5 MR. COLWELL: Objection. Form.</p> <p>6 MR. GRUNDVIG: Objection. Form.</p> <p>7 THE WITNESS: The trends or the designs 8 can come from anywhere, from looking at what's 9 trending in the marketplace to traveling to what's 10 happening. As I said, can -- all over. And we 11 have teams dedicated to this.</p> <p>12 BY MR. BUTERMAN:</p> <p>13 Q. When you say that trends can include what 14 is trending in the marketplace, what do you mean 15 by that?</p> <p>16 A. Example: There used to -- backpacks were 17 never considered a category in handbags. When 18 those started to emerge, we would start to see 19 hand -- we would start to see a lot of backpacks. 20 That would be something that we would be 21 considered a trend, and we would make sure we had 22 those -- that trend covered in our brands.</p>
<p style="text-align: right;">Page 67</p> <p>1 is an unparalleled design team and process. Our 2 design team strives to create designs that are 3 true to our DNA, reflect current or anticipated 4 trends, and can be manufactured in a timely and 5 cost-effective manner. Most new products are 6 tested in select retail stores and on direct 7 operated e-commerce websites. Based on these 8 tests, among other things, management selects 9 products that are then offered for wholesale and 10 direct-to-consumer distribution worldwide. We 11 believe that our design and testing processes, 12 combined with our flexible sourcing model, provide 13 our brands with a significant competitive 14 advantage and allow us to migrate [sic] the risk 15 of incurring costs associated with the production 16 and distribution of less desirable designs."</p> <p>17 Q. And is that a truthful and accurate 18 statement?</p> <p>19 MR. GRUNDVIG: Objection.</p> <p>20 MR. COLWELL: Objection. Form.</p> <p>21 THE WITNESS: That is.</p> <p>22</p>	<p style="text-align: right;">Page 69</p> <p>1 Q. In determining which products to design, 2 does Steve Madden look to see what types of 3 products are selling well at other competitive 4 brands?</p> <p>5 MR. COLWELL: Objection. Form.</p> <p>6 Foundation.</p> <p>7 THE WITNESS: I can't answer the question 8 that Steve Madden would always know the answer of 9 what is selling at other competitive brands. But 10 we would use whatever information we have in the 11 marketplace to establish items that we wish to 12 market.</p> <p>13 BY MR. BUTERMAN:</p> <p>14 Q. Which brands would Steve Madden look to 15 when it is trying to understand current or 16 anticipated trends?</p> <p>17 MR. GRUNDVIG: Objection. Form.</p> <p>18 MR. COLWELL: Objection. Form.</p> <p>19 Foundation.</p> <p>20 THE WITNESS: We would look at all brands 21 all over the world in all different categories to 22 see what is actually happening.</p>

<p style="text-align: right;">Page 70</p> <p>1 BY MR. BUTERMAN:</p> <p>2 Q. When you say all brands all over the 3 world, would that include the brands that you 4 identified earlier today as luxury brands?</p> <p>5 A. Yes, that would.</p> <p>6 Q. And would that include the brands that 7 you, I believe, referred to earlier as accessible 8 luxury brands?</p> <p>9 A. Yes. It may.</p> <p>10 Q. Can you look down a little bit further to 11 the section on the page in the document that's 12 numbered 5 -- it's 7 of your PDF -- entitled, 13 "Distribution"?</p> <p>14 A. I see it.</p> <p>15 Q. Do you see the last sentence says, "Our 16 top 10 wholesale customers, in no particular 17 order, include Nordstrom, Macy's, Dillard's, DSW, 18 the JTX [sic] Companies, Ross Stores, Burlington 19 Stores, Amazon, Walmart, and Target"?</p> <p>20 A. Yes.</p> <p>21 Q. Is that a truthful and accurate 22 statement?</p>	<p style="text-align: right;">Page 72</p> <p>1 We believe effective marketing, favorable brand 2 image, fashionable styling, high quality, value, 3 and fast manufacturing turnaround are the most 4 important competitive forces. We intend to 5 continue employ these elements in our business. 6 However, we cannot be certain that we will be able 7 to compete successfully against our current and 8 future competitors or that competitive pressures 9 will not have a material adverse effect on our 10 business, financial conditions, and results of 11 operations."</p> <p>12 Q. A truthful and accurate statement?</p> <p>13 MR. GRUNDVIG: Objection. Form.</p> <p>14 MR. COLWELL: Objection. Form.</p> <p>15 THE WITNESS: Yes.</p> <p>16 BY MR. BUTERMAN:</p> <p>17 Q. Does Steve Madden believe that the 18 handbag industry is highly competitive?</p> <p>19 MR. COLWELL: Objection. Form.</p> <p>20 THE WITNESS: Can you just rephrase -- 21 are you -- is the question Steve Madden Companies 22 believe? Is that the question that you're asking?</p>
<p style="text-align: right;">Page 71</p> <p>1 MR. GRUNDVIG: Objection.</p> <p>2 MR. COLWELL: Objection. Form.</p> <p>3 THE WITNESS: Yes.</p> <p>4 BY MR. BUTERMAN:</p> <p>5 Q. The --</p> <p>6 A. One --</p> <p>7 Q. Yes, please.</p> <p>8 A. -- amendment to my answer. You 9 pronounced one was JTX. It's actually TJX.</p> <p>10 Q. TJX, I'm sorry.</p> <p>11 A. Yes.</p> <p>12 Q. Thank you for the clarification.</p> <p>13 Could you look at the next page of the 14 document and the section that's bolded 15 "Competition."</p> <p>16 A. I see it.</p> <p>17 Q. Can you please read that paragraph?</p> <p>18 A. "Competition. The fashion industry is 19 highly competitive. We compete with numerous 20 domestic and international footwear, apparel, and 21 accessory companies. Our competitors may have 22 greater financial and other resources than we do.</p>	<p style="text-align: right;">Page 73</p> <p>1 BY MR. BUTERMAN:</p> <p>2 Q. Yes. Does Steve Madden Companies -- do 3 Steve Madden Companies believe -- or strike that.</p> <p>4 Does the overall Steve Madden Company 5 believe that the handbag industry is highly 6 competitive?</p> <p>7 MR. COLWELL: Objection. Form.</p> <p>8 THE WITNESS: Yes.</p> <p>9 BY MR. BUTERMAN:</p> <p>10 Q. Is it true that Steve Madden's handbags 11 compete with numerous domestic and international 12 companies?</p> <p>13 A. True.</p> <p>14 Q. Do Steve Madden's brands create 15 high-quality handbags?</p> <p>16 A. Yes.</p> <p>17 MR. GRUNDVIG: Objection. Form.</p> <p>18 BY MR. BUTERMAN:</p> <p>19 Q. I'm sorry, I couldn't hear your answer, 20 Ms. Tichner.</p> <p>21 A. Yes. We have high-quality handbags in 22 the price points of which we sell our items.</p>

Page 74	Page 76
1 Q. Could you please turn to page 10 of the 2 document that's page 12 of your PDF?	1 increase, just so I'm clear?
3 Are you there?	2 BY MR. BUTERMAN:
4 A. Yes.	3 Q. Sure. Sure.
5 Q. Okay. Do you see the section entitled, 6 "Industry Risks"?	4 Do Steve Madden brands ever have to 5 increase markdown allowances for customers because 6 they have misjudged whether a particular bag would 7 sell?
7 A. I do.	8 MR. COLWELL: Objection. Form.
8 Q. Could you please read the first bold- -- 9 bolded italicized header?	9 MR. GRUNDVIG: Objection.
10 A. "The fashion footwear, accessories, and 11 apparel industry is subject to rapid changes in 12 consumer preference. If we do not accurately 13 anticipate fashion trends and promptly respond to 14 consumer demand, we could lose sales, and 15 relationship to customers -- relations with 16 customers could be harmed and our brand loyalty 17 could be diminished."	10 THE WITNESS: Yes.
18 Q. With respect to Steve Madden's handbag 19 brands, is that correct a truthful and accurate 20 statement?	11 BY MR. BUTERMAN:
21 MR. GRUNDVIG: Objection.	12 Q. Could you read the next bolded italicized 13 sentence?
22 MR. COLWELL: Objection. Form.	14 A. That begins with "We face"?
	15 Q. Yes.
	16 A. "We face intense competition from both 17 established companies and newer entrants into the 18 market. Our failure to compete effectively could 19 cause our market share to decline, which could 20 harm our reputation and have a material impact on 21 our financial condition, results of operation, and 22 liquidity."
Page 75	Page 77
1 THE WITNESS: Yes.	1 Q. Do Steve Madden's handbag brands face 2 intense competition from both established 3 companies and newer entrants into the market?
2 BY MR. BUTERMAN:	4 MR. COLWELL: Objection. Form.
3 Q. If you look in the paragraph that follows 4 below, do you see the sentence that says, "If we 5 misjudge"? It's about halfway through.	5 THE WITNESS: Yes.
6 A. Yes, I see the sentence.	6 BY MR. BUTERMAN:
7 Q. Could you please read that sentence?	7 Q. Can you please read the next sentence?
8 A. "If we misjudge the market for our 9 products, we may be faced with significant excess 10 inventory for some products and missed opportunity 11 as to others. In addition, misjudgments in 12 merchandise selection could adversely affect our 13 image with the customers, resulting in lower sales 14 and increased markdown allowances for customers, 15 which could have a material adverse effect on our 16 business, financial conditions, results of 17 operations, and liquidity."	8 A. The one that begins --
18 Q. Do Steve Madden brands ever have to 19 increase markdowns for customers for handbags?	9 Q. Yes.
20 MR. COLWELL: Objection. Form.	10 A. -- "The fashion"?
21 THE WITNESS: Can you qualify what you 22 mean as increase? From what starting point is the	11 "The fashion footwear, accessories, and 12 apparel industry is highly competitive, and 13 barriers to entry are low. Our competitors 14 include" --
	15 Q. That's okay. If you could just stop 16 right there.
	17 A. Okay.
	18 Q. Within the handbag space -- strike that.
	19 Does Steve Madden consider the handbag 20 space to be highly competitive?
	21 A. Yes.
	22 Q. Does Steve Madden believe that, in the

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<p>1 handbag space, barriers to entry are low?</p> <p>2 MR. COLWELL: Objection. Form.</p> <p>3 Foundation.</p> <p>4 THE WITNESS: Yes.</p> <p>5 BY MR. BUTERMAN:</p> <p>6 Q. Could you read the next sentence? "Our</p> <p>7 competitors" --</p> <p>8 A. "Our competitors" --</p> <p>9 Q. Sorry.</p> <p>10 A. -- "include specialty companies as well</p> <p>11 as companies with diversified product lines."</p> <p>12 Q. In the handbag space, do Steve Madden's</p> <p>13 competitors include specialty companies, as well</p> <p>14 as companies with diversified product lines?</p> <p>15 A. Yes.</p> <p>16 Q. The next sentence reads, "Market growth</p> <p>17 in the sale of fashion footwear, accessories, and</p> <p>18 apparel has encouraged the entry of many new</p> <p>19 competitors and increased competition from</p> <p>20 established companies."</p> <p>21 Do you see that?</p> <p>22 A. I do.</p>	<p>1 BY MR. BUTERMAN:</p> <p>2 Q. Do you see the next sentence that's</p> <p>3 bolded and italicized?</p> <p>4 A. That begins with "If we"?</p> <p>5 Q. Yes. Yes.</p> <p>6 A. I do see it.</p> <p>7 Q. Could you read that sentence, please?</p> <p>8 A. "If we and the retailers that our</p> <p>9 customers are unable to adapt to recent and</p> <p>10 anticipated changes in the retail industry, the</p> <p>11 sale of our products may decline, which could have</p> <p>12 a material adverse effect on our financial</p> <p>13 condition, results of operation, and liquidity."</p> <p>14 Q. And if you look down a couple of</p> <p>15 sentences, do you see the sentence that begins,</p> <p>16 "Changing shopping patterns"?</p> <p>17 A. I see that sentence.</p> <p>18 Q. Could you read that sentence, please?</p> <p>19 A. "Changing shopping patterns, including</p> <p>20 the rapid expansion of online retail shopping and</p> <p>21 the effect of the COVID-19 pandemic have adversely</p> <p>22 affected consumer traffic in mall and outlet</p>
<p>1 Q. In the handbag space, does Steve Madden</p> <p>2 believe that market growth and sales has</p> <p>3 encouraged new entry of many new competitors and</p> <p>4 increased competition from established companies?</p> <p>5 MR. COLWELL: Objection. Form.</p> <p>6 THE WITNESS: Yes.</p> <p>7 BY MR. BUTERMAN:</p> <p>8 Q. If you look down a couple of sentences it</p> <p>9 says, "Increased competition could result in</p> <p>10 pricing pressures, increased marketing</p> <p>11 expenditures, and loss of market share and could</p> <p>12 have a material effect -- adverse effect on our</p> <p>13 business, financial condition, results of</p> <p>14 operations, and liquidity."</p> <p>15 Do you see that?</p> <p>16 A. Yes.</p> <p>17 Q. Does Steve Madden believe that, in the</p> <p>18 handbag space, increased competition could result</p> <p>19 in pricing pressures, increased marketing</p> <p>20 expenditures, and loss of market share?</p> <p>21 MR. COLWELL: Objection. Form.</p> <p>22 THE WITNESS: Yes.</p>	<p>1 centers, particularly in North America."</p> <p>2 Q. Does Steve Madden believe that, in the</p> <p>3 handbag sector, changing shopping patterns,</p> <p>4 including the rapid expansion of online retail</p> <p>5 shopping and the effects of COVID -- of the</p> <p>6 COVID-19 pandemic, have adversely affected</p> <p>7 customer traffic in malls and outlet centers,</p> <p>8 particularly in North America?</p> <p>9 MR. GRUNDVIG: Objection.</p> <p>10 MR. COLWELL: Objection. Form.</p> <p>11 THE WITNESS: Yes.</p> <p>12 BY MR. BUTERMAN:</p> <p>13 Q. The next sentence says, "We expect</p> <p>14 competition in the e-commerce market will</p> <p>15 intensify."</p> <p>16 Do you see that?</p> <p>17 A. Just a moment.</p> <p>18 Yes, I do.</p> <p>19 Q. Does Steve Madden believe -- excuse me,</p> <p>20 strike that.</p> <p>21 Does Steve Madden expect that competition</p> <p>22 in the e-commerce market will intensify with</p>

<p>1 respect to handbags?</p> <p>2 MR. GRUNDVIG: Objection.</p> <p>3 THE WITNESS: Yes.</p> <p>4 BY MR. BUTERMAN:</p> <p>5 Q. The next sentence says, "As a greater 6 portion of consumer expenditures with retailers 7 occurs online and through mobile commerce 8 applications, our brick-and-mortar retail 9 customers who fail to successfully integrate their 10 physical retail stores and digital retail may 11 experience financial difficulties, including store 12 closures, bankruptcies, or liquidations."</p> <p>13 Do you see that?</p> <p>14 A. I do.</p> <p>15 Q. Does Steve Madden believe that its 16 brick-and-mortar retail customers need to 17 successfully integrate their physical retail 18 stores and digital retail in order to avoid 19 experiencing financial difficulties when it comes 20 to handbag sales?</p> <p>21 MR. COLWELL: Objection. Form.</p> <p>22 MR. GRUNDVIG: Objection. Form.</p>	<p>Page 82</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>5 BY MR. BUTERMAN:</p> <p>6 Q. Are those the only brands at Macy's that 7 Steve Madden believes it competes with?</p> <p>8 A. Can you qualify if you are referring only 9 to brick-and-mortar or to Macy's business overall?</p> <p>10 Q. Is there a different answer with respect 11 to each of those?</p> <p>12 A. You -- yes.</p> <p>13 Q. Okay. Could you explain how the answer 14 is different with respect to each of those?</p> <p>15 A. You might have additional handbag brands 16 that are direct-to-consumer that may not be on the 17 floor in an adjacency to Steve Madden brands in 18 the doors that we sell in at Macy's.</p> <p>19 Q. Okay. So with respect to Macy's overall 20 business, are there any additional brands that 21 Steve Madden believes it competes with beyond the 22 ones you've already mentioned?</p>
<p>1 THE WITNESS: Yes.</p> <p>2 BY MR. BUTERMAN:</p> <p>3 Q. At the beginning of the deposition, 4 counsel for the FTC asked you whether you have any 5 role related to analyzing competition.</p> <p>6 Do you recall him asking you that?</p> <p>7 A. Yes.</p> <p>8 Q. Your answer was that you are actively 9 responsible for always being conscious of other 10 brands that are selling handbags in the same 11 retailers that you are operating in.</p> <p>12 Do you recall giving that answer?</p> <p>13 A. Yes.</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>	<p>Page 83</p> <p>1 A. I think any brand --</p> <p>2 MR. COLWELL: Objection. Form.</p> <p>3 Foundation. Pardon me.</p> <p>4 BY MR. BUTERMAN:</p> <p>5 Q. Go ahead.</p> <p>6 A. I think any brand that is selling 7 handbags in the same retailer that I am selling 8 handbags in would be viewed as competition.</p> <p>9 Q. So do Steve Madden's handbags compete 10 with Michael Kors' handbags at Macy's?</p> <p>11 A. We all compete for the same space on the 12 floor and the consumer shopping that floor.</p> <p>13 Q. Is that a yes?</p> <p>14 A. Yes.</p> <p>15 Q. Do Steve Madden's bags compete with 16 Kate Spade's bags at Macy's?</p> <p>17 A. Yes.</p> <p>18 Q. Do Steve Madden's bags compete with 19 Coach's bags at Macy's?</p> <p>20 A. Yes.</p> <p>21 Q. Do Steve Madden's bags compete with 22 Michael Kors' bags at Dillard's?</p>

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1 MR. COLWELL: Objection. Foundation.	1 The brands in the accessible luxury
2 THE WITNESS: Yes.	2 grouping that you identified earlier today, those
3 BY MR. BUTERMAN:	3 brands nonetheless compete with the Steve Madden
4 Q. Do Steve Madden's bags compete with	4 brands, correct?
5 Kate Spade's bags at Dillard's?	5 MR. COLWELL: Objection --
6 A. Yes.	6 MR. GRUNDVIG: Objection --
7 Q. Do Steve Madden's bags compete with	7 MR. COLWELL: -- form.
8 Coach's bags at Dillard's?	8 MR. GRUNDVIG: -- form.
9 A. Yes.	9 THE WITNESS: Correct.
10 Q. I, in asking those questions, mentioned	10 BY MR. BUTERMAN:
11 Steve Madden's bags.	11 Q. When counsel asked you to identify brands
12 When you were answering those, were you	12 that were in the accessible luxury grouping, you
13 referring just to the Steve Madden brand or to	13 said that there were a lot.
14 Steve Madden, Dolce Vita, and Betsey Johnson?	14 Do you recall that?
15 A. Any of the brands that I sell on the	15 MR. COLWELL: Objection. Form.
16 retailers that you mentioned.	16 THE WITNESS: Yes.
17 Q. So just so we're clear, Steve Madden,	17 BY MR. BUTERMAN:
18 Betsey Johnson, and Dolce Vita all compete with	[REDACTED]
19 Michael Kors, Kate Spade, and Coach in handbags;	[REDACTED]
20 is that correct?	[REDACTED]
21 MR. COLWELL: Objection. Form.	[REDACTED]
22 THE WITNESS: All handbag brands are	[REDACTED]
Page 87	Page 89
1 competitors. Yes.	[REDACTED]
2 BY MR. BUTERMAN:	[REDACTED]
3 Q. And so even though counsel, earlier	[REDACTED]
4 today, asked you to identify certain brands that	[REDACTED]
5 you would classify as accessible luxury, the fact	[REDACTED]
6 that you have identified a brand as being an	[REDACTED]
7 accessible luxury does not mean that the Steve	[REDACTED]
8 Madden brands do not compete with that brand	[REDACTED]
9 with those brands, correct?	[REDACTED]
10 MR. GRUNDVIG: Objection. Form.	10 Q. Any others you can think of?
11 THE WITNESS: Can you just repeat that	11 A. That's a good list, a good portion of
12 question --	12 them.
13 BY MR. BUTERMAN:	13 MR. BUTERMAN: Why don't we take a break.
14 Q. Sure.	14 VIDEO TECHNICIAN: Going off the record.
15 A. -- one more time, please? Thank you.	15 The time is 12:16 p.m.
16 Q. Earlier today counsel asked you to	16 (A recess was taken.)
17 identify certain brands that would be categorized	17 VIDEO TECHNICIAN: Going back on the
18 as accessible luxury.	18 record. The time is 12:30 p.m.
19 Do you recall that?	19 BY MR. BUTERMAN:
20 A. I do.	20 Q. Ms. Tichner, earlier today counsel asked
21 Q. The fact that a brand was identified	21 you questions about which segment of the handbag
22 earlier today as being -- strike that.	22 business you believed the Steve Madden brands fit

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1 into. 2 Do you recall that? 3 A. Yes. 4 Q. And which segment did you identify that 5 the Steve Madden brands belonged to? 6 MR. COLWELL: Objection. Asked and 7 answered. 8 THE WITNESS: I gave -- I said it was 9 entry-level trend, sometimes referred to as 10 moderate -- that's not my favorite title. There 11 are several names for it. 12 BY MR. BUTERMAN: 13 Q. And your testimony is that all of the 14 Steve Madden brands -- Steve Madden, Betsey 15 Johnson, Love Betsey, Dolce Vita, and 16 Anne Klein -- would all fall into those segments; 17 is that correct? 18 A. To make sure -- to correct or 19 quantify [sic], Dolce Vita would fall outside of 20 those brands. 21 Q. And where would Dolce Vita qualify, in 22 your view?	1 MR. GRUNDVIG: Objection. Form. 2 THE WITNESS: The titles or the headers 3 or however you like to qualify these brands can 4 vary from retailer to retailer. What is 5 consistent are the brands that each retailer 6 sells. That is where the brands compete. 7 BY MR. BUTERMAN: 8 Q. Okay. So just so we're clear, for 9 example, the brands that you've identified as 10 designer, like Kate Spade and Michael Kors, in 11 Macy's are competing with brands that are also in 12 the opening price point or contemporary, correct? 13 MR. COLWELL: Objection. Form. 14 MR. GRUNDVIG: Objection. Form. 15 THE WITNESS: Correct. 16 BY MR. BUTERMAN: 17 Q. Are you familiar with a -- you're 18 familiar with a company called Stella McCartney? 19 A. Yes. 20 Q. Stella McCartney -- where would you 21 classify Stella McCartney in terms of its 22 products? Would they be in the luxury space?
1 A. Contemporary brands. 2 Q. Is contemporary different than designer? 3 A. The titles that we're throwing around 4 here are often inter-used or are used by different 5 retailers in different places. For example, one 6 department store might refer to a brand as 7 designer, where another department store might 8 refer to that same brand as a contemporary 9 designer. 10 Q. Okay. 11 A. Or contemporary. 12 Q. Okay. So just so we're clear, the fact 13 that a company -- strike that. 14 Just so we're clear, the fact that a 15 handbag brand may be referred to as opening price 16 point, moderate, contemporary, designer, that 17 doesn't say anything about whether it's competing 18 -- strike that. 19 Do these designations have anything to do 20 with whether brands are competing with one 21 another? 22 MR. COLWELL: Objection. Form.	1 A. Yes. I would classify Stella McCartney 2 as a true designer or luxury designer. 3 Q. Are you familiar with a company called 4 Balenciaga? 5 A. I am familiar with that company. 6 Q. Would you consider Balenciaga to be a 7 luxury designer? 8 A. Yes. 9 Q. Are you familiar with a company called 10 Valentino? 11 A. Yes. 12 Q. Would you consider Valentino to be a 13 luxury designer? 14 A. Yes. 15 Q. You are aware that Stella McCartney, 16 Balenciaga, and Valentino, have all claimed in 17 various litigations that they have lost sales to 18 Steve Madden brands, correct? 19 MR. GRUNDVIG: Objection. 20 MR. COLWELL: Objection. Form. 21 Foundation. 22 THE WITNESS: I don't believe that I

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1	prepared to answer that question.	1	that was part of the claim or part of the --
2	BY MR. BUTERMAN:	2	whatever the documentation -- whatever you want --
3	Q. Okay. I'm just asking if you happen to	3	you know, whatever the complaint is. I'm not sure
4	be aware as to whether those luxury brands --	4	what's exactly included in the complaint.
5	Balenciaga, Stella McCartney, and Valentino have	5	BY MR. BUTERMAN:
6	claimed that they have lost sales to Steve Madden	6	Q. Sure.
7	brands for handbags.	7	Okay. I'm sorry, I'm just going to
8	MR. COLWELL: Objection. Form. And	8	introduce the documents. I'm just doing this to
9	foundation.	9	refresh your recollection. I apologize.
10	THE WITNESS: Can you just repeat the	10	A. Okay.
11	verbiage one more time so I'm --	11	MR. BUTERMAN: Can we have tab 16 put
12	BY MR. BUTERMAN:	12	into the Exhibit Share? And that will be DX708.
13	Q. Sure. Yeah. And just to be clear, so	13	(Tichner Deposition Exhibit DX708 marked
14	you know, I'm not planning on going into any of	14	for identification and attached to the
15	the details. This is just the one question that I	15	transcript.)
16	have on this topic.	16	MR. BUTERMAN: And to save time, can we
17	Are you aware that luxury brands like	17	have tab 17 put into the Exhibit Share? That will
18	Stella McCartney, Balenciaga, and Valentino have	18	be DX709.
19	all claimed that they have lost sales to Steve	19	(Tichner Deposition Exhibit DX709 marked
20	Madden?	20	for identification and attached to the
21	MR. COLWELL: Objection. Form and	21	transcript.)
22	foundation.	22	MR. BUTERMAN: And let's have tab 15 put
	Page 95		Page 97
1	MR. GRUNDVIG: Objection.	1	into the Exhibit Share as DX710.
2	THE WITNESS: Are you -- just to clarify,	2	(Tichner Deposition Exhibit DX710 marked
3	3 is it Steve Madden handbags or Steve Madden, the	3	for identification and attached to the
4	4 company?	4	transcript.)
5	BY MR. BUTERMAN:	5	MR. GRUNDVIG: Which tab do you want
6	Q. Steve Madden handbags.	6	6 first? Or which document?
7	A. I'm not a hundred percent if it's	7	MR. BUTERMAN: You know what? What I
8	specific -- all those three are specific to	8	actually would like the witness to do is to take
9	9 handbags --	9	just a quick look at them to --
10	Q. Okay.	10	THE WITNESS: Sure.
11	A. -- but I am --	11	MR. BUTERMAN: -- see if this answers the
12	Q. Please continue. I'm sorry.	12	12 less than hundred percent sure that the witness
13	A. I'm aware that there have been some	13	13 was about whether there were certain claims
14	14 documents or cases that have been brought up about	14	14 related to handbags.
15	15 those particular brands.	15	THE WITNESS: I can answer the questions
16	Q. Are you aware of any of those brands,	16	16 now.
17	whether they have claimed that, with respect to	17	MR. BUTERMAN: Okay. Great. Let me just
18	18 handbags specifically, they have lost sales to	18	19 go back to the transcript to make sure I don't
19	19 Steve Madden brands?	19	forget it. But thank you.
20	MR. COLWELL: Objection. Form.	20	BY MR. BUTERMAN:
21	THE WITNESS: I can't answer that	21	Q. Ms. Tichner, are you aware as to whether
22	22 completely. I'm not a hundred percent sure if	22	Balenciaga, Stella McCartney, and Valentino, which



1 in Macy's stores? 2 MR. BUTERMAN: Objection. Form. 3 THE WITNESS: Can you just qualify the 4 word "placed," just so I'm clear on... 5 BY MR. COLWELL: 6 Q. Yes. I'm referring to the brand or 7 product placement in the store. The location 8 within the store, if that makes sense. 9 A. We have some input into the particular 10 doors of Macy's that we are in. But ultimately, 11 the department store makes the decision as to 12 which brands they have in each separate 13 brick-and-mortar. 14 Q. At Macy's brick-and-mortar retail stores, 15 what handbag brands are most frequently placed 16 besides Steve Madden's handbags in the store? 17 MR. BUTERMAN: Objection. 18 MR. GRUNDVIG: Objection. Form. 19 THE WITNESS: Just to clarify, are you 20 asking the other brands that are distributed in 21 the same door count that I'm in or just overall in 22 Macy's?	Page 102 [REDACTED] 2 BY MR. COLWELL: 3 Q. Do you know why that's the case that 4 they're placed close to each other? 5 MR. BUTERMAN: Objection. Calls for 6 speculation. 7 MR. GRUNDVIG: Objection. 8 THE WITNESS: They merchandise their 9 floor in different areas designated by different 10 features. 11 BY MR. COLWELL: 12 Q. What sorts of features? 13 MR. BUTERMAN: Objection. Form. Calls 14 for speculation. 15 THE WITNESS: Price point, end use, 16 classification. 17 MR. COLWELL: Ms. Tichner, those are all 18 the questions I have for you today. But I want to 19 thank you again for your time. 20 We can go off the record. 21 MR. BUTERMAN: Actually, you have to at 22 least allow me to say that I have no further
1 BY MR. COLWELL: 2 Q. I'm actually asking about the products' 3 placement within the store next to other brands. 4 A. Can you just please rephrase? 5 Q. Sure. 6 A. Yeah. 7 Q. In Macy's, do Steve Madden's handbags 8 appear beside handbags from other brands within 9 the store? 10 A. Yes. 11 Q. In Macy's still, are Steve Madden's 12 handbags placed close to any other brands in 13 particular, to your knowledge? 14 MR. BUTERMAN: Object to form. 15 THE WITNESS: Yes. 16 BY MR. COLWELL: [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED]	Page 103 Page 105 1 questions, which is the case -- 2 MR. COLWELL: I was going to ask you off 3 the record that -- 4 MR. BUTERMAN: That's okay. 5 I don't have any further questions, so 6 we're done. Ms. Tichner, thank you very much for 7 your time. 8 THE WITNESS: Thank you. 9 VIDEO TECHNICIAN: We are off the record 10 at 1:01 p.m. This concludes today's testimony 11 given by Sloan Tichner. The total number of media 12 units used is seven and will be retained by 13 Veritext. 14 (Whereupon at 1:01 p.m., the confidential 15 videotaped deposition of ANISH MEWANI was 16 concluded.) 17 18 19 20 21 22

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1 CERTIFICATE OF NOTARY PUBLIC  
2 I, CHRISTINA S. HOTSKO, the officer before  
3 whom the foregoing deposition was taken, do hereby  
4 certify that the witness whose testimony appears in  
5 the foregoing deposition was duly sworn by me; that  
6 the testimony of said witness was taken by me in  
7 stenotypy and thereafter reduced to typewriting under  
8 my direction; that said statement is a true record of  
9 the proceedings; that I am neither counsel for,  
10 related to, nor employed by any of the parties to the  
11 action in which this statement was taken; and,  
12 further, that I am not a relative or employee of any  
13 counsel or attorney employed by the parties hereto,  
14 nor financially or otherwise interested in the  
15 outcome of this action.

16



17  
18 CHRISTINA S. HOTSKO  
19 Notary Public in and for the  
20 District of Columbia

21 My commission expires:

22 1 January 2027

Federal Rules of Civil Procedure

Rule 30

(e) Review By the Witness; Changes.

(1) Review; Statement of Changes. On request by the deponent or a party before the deposition is completed, the deponent must be allowed 30 days after being notified by the officer that the transcript or recording is available in which:

(A) to review the transcript or recording; and

(B) if there are changes in form or substance, to sign a statement listing the changes and the reasons for making them.

(2) Changes Indicated in the Officer's Certificate.

The officer must note in the certificate prescribed by Rule 30(f)(1) whether a review was requested and, if so, must attach any changes the deponent makes during the 30-day period.

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